

Customs Bulletin

Regulations, Rulings, Decisions, and Notices
concerning Customs and related matters



and Decisions

of the United States Court of Appeals for
the Federal Circuit and the United
States Court of International Trade

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This issue contains:

U.S. Customs Service

T.D. 89-103 and 104

C.S.D. 89-134

General Notices (Erratum)

THE DEPARTMENT OF THE TREASURY
U.S. Customs Service

NOTICE

The decisions, rulings, notices, and abstracts which are published in the CUSTOMS BULLETIN are subject to correction for typographical or other printing errors. Users may notify the U.S. Customs Service, Office of Logistics Management, Printing and Distribution Branch, Washington, D.C. 20229, of any such errors in order that corrections may be made before the bound volumes are published.

U.S. Customs Service

Treasury Decisions

19 CFR Part 113

(T.D. 89-103)

REFUSAL TO ACCEPT NEW BONDS UNDERWRITTEN BY TRAVELERS INDEMNITY CO.

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: General notice.

SUMMARY: This notice informs the public that no new bonds underwritten by Travelers Indemnity Company will be accepted in the Dallas/Ft. Worth District by virtue of 19 CFR 113.38.

FOR FURTHER INFORMATION CONTACT:

Paul Snow, U.S. Customs Service
P. O. Box 619050
Dallas/Ft. Worth Airport, Texas 75261
(214-574-2170)

SUPPLEMENTARY INFORMATION: Under 19 CFR 113.38(c)(1), a District Director of Customs may refuse to accept for filing any new bond underwritten by a surety that the District Director finds to be significantly delinquent. The District Director of Customs, Dallas/Ft. Worth, Texas, found the Travelers Indemnity Company to be delinquent under that regulatory provision. The District Director notified the surety of the intended action by letter dated November 9, 1989.

The text of that letter is as follows:

Date: November 09, 1989

File: ENF-8-07-D:F PLS

Certified—Return receipt requested

TRAVELERS INDEMNITY COMPANY
One Tower Square
Hartford, CT 06115

DEAR SIR:

By letters dated November 1, 1988, April 27, 1989, and May 19, 1989, you were afforded an opportunity to provide justification as to why sanctions should not be imposed.

Since neither payment nor sufficient justification has been received by November 11, 1988, May 8, 1989, or May 30, 1989, the respective due dates of the above letters, the Dallas/Fort Worth District will not accept any new Travelers Indemnity Company bonds for a period of five (5) days commencing 12:01 A.M. C.S.T., Monday November 20, 1989, and ending 11:59 P.M., C.S.T., Friday November 24, 1989, or until Travelers Indemnity Company has tendered payment of its obligations to the U.S. Customs Service, whichever is later.

A copy of this Notice is being sent to the Director, Carriers Drawback and Bonds Division, Customs Headquarters, Washington, D. C., for publication in the Customs Bulletin. Notice will also be given to the importing public by posting a copy of this decision in the Dallas/Forth Worth District Customhouses.

Additionally, this Notice is being provided to the Regional Commissioner, Southwest Region. The receipt of this Notice may result in Regional sanction action against Travelers Indemnity Company.

If you have any questions regarding this matter, you may call Paul Snow, Fines, Penalties and Forfeitures Officer at (214) 574-2170.

Sincerely,
P. T. WRIGHT.

(for David F. Greenleaf, District Director)

As required by 19 CFR 113.38, the District Director of Customs has notified this Headquarters.

This Notice notifies the public of the Customs action.

Dated: November 30, 1989.

JOHN DURANT,
Director,
Commercial Rulings Division.

19 CFR Parts 24, 132, 141, 142 and 143

(T.D. 89-104)

RIN #1515-AA72

**CUSTOMS REGULATIONS AMENDMENTS CONCERNING
STATEMENT PROCESSING AND AUTOMATED
CLEARINGHOUSE**

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations to provide users of Customs Automated Broker Interface (ABI) with the option of paying their entry/entry summaries and entry summaries by the statement processing method. Statement processing allows entry/entry summaries and entry summaries to be grouped and payment made for the group with a single payment. The document also establishes Automated Clearinghouse (ACH), an electronic payment mechanism, as the preferred method of payment of Customs duties, taxes and fees relative to ABI statements.

Further, the document provides an exception to the requirement that for entries of quota-class merchandise, estimated duties must be attached to the entry summary documentation. The document states that if an ABI participant chooses to do so, entries of quota-class merchandise and other special classes of merchandise designated by Customs Headquarters can be paid through statement processing and ACH if the preponderance of the ABI filer's non-special class entry summaries are also processed under statement processing and ACH. If an ABI participant opts to use statement processing for quota-class entries and the preponderance of his non-special class entries, he must use ACH. Further, quota status and quota priority can be acquired without estimated duties being attached to entry/entry summary documentation if statement processing and ACH are used.

EFFECTIVE DATE: January 1, 1990.

FOR FURTHER INFORMATION CONTACT: James Childress, Commercial Systems Division (202-343-6584).

SUPPLEMENTARY INFORMATION:

BACKGROUND

Historically, Customs has generally required that estimated duties be attached to the submission of entry documentation or entry summary documentation. This payment was usually made by an individual check covering the entry or the entry summary. Through Customs Automated Commercial System (ACS), specifically its Automated Broker Interface (ABI), Customs has developed a method known as statement processing which allows one payment to cover multiple entry summaries. Further, Customs has developed an enhancement to statement processing which no longer requires that the estimated duties be attached to the submission of entry summary documentation. The enhancement is known as Automated Clearinghouse (ACH); ACH is an electronic payment mechanism. A filer who is on Customs ABI may transmit his entry data to Customs through the ABI, may elect to use statement processing, and use ACH to effect payment. The entry summary documentation and ACH payment authorization must be submitted within 10 working days after entry of the merchandise.

Customs published a document in the Federal Register (54 FR 10019) on March 9, 1989, proposing amendments to the Customs Regulations providing: (1) for the voluntary use by ABI participants of statement processing; (2) that all ABI participants using statement processing must pay their statements through the use of the ACH electronic payment mechanism; (3) that the payment of estimated duties regarding entry/entry summaries for special classes of merchandise, consisting of quota-class merchandise and other classes designated by Customs Headquarters, be allowed through ABI statement processing if the preponderance of the ABI participant's

non-special class entry summaries are also processed under statement processing; and (4) that quota priority and status could be acquired without estimated duties being attached to the entry/entry summary documentation if statement processing and ACH are used.

Twenty comments were received in response to the proposal. Most commenters were in favor of the general concept set forth in the proposed rulemaking. However, there were several concerns. A discussion of the comments and our responses follows.

ANALYSIS OF COMMENTS

Comments:

Most commenters were opposed to the requirement that if an ABI participant uses statement processing, the ABI participant must use ACH.

Response:

In view of the negative comments from the trade about mandatory ACH payment of all statements, Customs has decided to permit check or cash payment for a statement which does not include entries for quota-class merchandise. Customs has decided, however, that ABI participants who wish to gain release of quota-class and/or other special classes of merchandise without being required to attach estimated duties to the entry/entry summary documentation must use statement processing and the ACH method of payment for these transactions and for the largest possible portion of their Customs transactions. (See later discussion).

The incentive of offering deferred payment for entries of quota and other special class merchandise if payment is made by ACH and other marketing methods will be employed by Customs to encourage importers and brokers to adopt the ACH method of payment. Customs is committed to establishing ACH as the preferred method of payment.

Comment:

Several comments received from individual brokers and trade associations requested that Customs maintain the option that broker's clients can pay Customs charges through the broker directly from their own accounts. The comments indicated that Customs should provide this option either for those clients who might elect to use ACH and have statement payments debited directly from their accounts, or for those clients who do not desire to use ACH, but currently provide the broker with a check payable to the "U.S. Customs Service" for their duties, taxes and fees that appear on an ABI statement.

Response:

We agree that a broker's client should maintain the option to pay Customs directly through his own account. When a client elects to use the ACH method and have the funds debited directly from his own account, the client would be required to provide directly to Customs the bank transit routing number and the bank account number for each of his accounts from which ACH payments could be electronically debited. Customs would then assign a unique payer's unit number to each of his accounts and provide the assigned unit number(s) directly to the client and the Treasury-designated ACH processor. The client would then provide the appropriate payer's unit number to his broker to pay his statements through ABI. The funds would then be electronically withdrawn directly from the client's account.

Although ACH is the preferred payment method for ABI statements, it will not be possible for all entry filers in all instances. Therefore, Customs will continue to permit entry filers to pay by check payable to the "U.S. Customs Service" for duties, taxes, and fees, according to existing Customs regulations. However, it should be recognized that a particular statement payment must be accomplished entirely through ACH or completely by conventional method (check, cash, etc.). A mixing of payment methods for a single statement will not be accepted.

Comment:

Some commenters were opposed to the proposed rule stating that the statement date must be the payment date. It was believed by certain commenters that the internal processes of a broker or importer may require early generation of the preliminary statement to allow the staff sufficient time to audit the proposed payments and perform any necessary amendments to the statement to ensure that proper payment can be tendered by the tenth working day.

Response:

Customs recognizes the necessity of having adequate time to perform internal verification of proposed duty payments. Therefore, Customs has removed the requirement that statement date will be payment date. It should be noted, however, that the principal listed on the statement will be responsible for ensuring that the statement payment is timely made (that all related statement entries will be satisfied within 10 working days from the date of entry).

Comment:

Several commenters stated that there should be an expedited administrative refund process for those ACH transactions which may be accepted over and above any required statement payment. These commenters stated that the administrative refund process should provide for refunding without need for the formal protest process and without any requirement for an entry-by-entry liquidation or

reliquidation process; and any refund amount should be electronically provided to the payer.

Response:

Customs agrees that a payer whose account is overdrawn directly as a result of an error by Customs or the Treasury-designated ACH processor should be entitled to immediate administrative relief without the need for formal protest action or liquidation or reliquidation action. Customs has the authority to provide such relief pursuant to 19 U.S.C. 1520(a)(4). However, because Customs believes that such errors will occur on a very isolated basis, administrative relief can be handled on a case-by-case basis without a formal provision. The reasons Customs believes that errors will be rare are twofold. First, the ACH payment process will be accomplished through ABI on a computer-to-computer basis with no manual intervention. Secondly, before an ACH payment authorization transaction is accepted for subsequent transmission to the Treasury-designated ACH processor, a strict set of edits must be completely passed relative to statement data and amount; if the ACH payment authorization is not error-free, it will not be accepted by Customs for subsequent transmission to the ACH processor. If an error does occur, Customs should be notified promptly so that immediate action can be instituted to ascertain the cause and take prompt action to satisfy the payer. It should be recognized that if the error was a result of an error at the payer's bank without culpability on the part of Customs or the Treasury-designated processor, Customs will not be responsible for the refund; the matter would have to be resolved with the payer's bank.

Comment:

Several commenters were concerned with the system's security. There were concerns presented regarding protection against outside tampering with the system to prevent conversion of funds to outside personal accounts. In addition, assurances were sought that ACH withdrawals would be made only for specific unpaid ABI statements and that Customs would debit the correct account for the ACH transaction.

Response:

Although Customs cannot provide a 100 percent guarantee that a violation of the system could not occur, every precaution has been taken to avoid this possibility. The existing levels of security required to access both the Customs and bank system have been in place and operational for several years without experiencing any outside tampering.

Furthermore, the ACH authorization transaction input through ABI for statement payment and the resulting transmission to the Treasury-designated ACH processor contain no reference to the specific bank or bank account information. Instead, the Customs-as-

signed unique payer's unit number is used which is identifiable only to the ACH processor as to bank and bank account. The Customs system does not maintain a file which would provide an person inside or outside of Customs with accessibility to payer bank or bank account information. Also, the ACH processor system requires multiple levels of security to be satisfied before access can be gained to that system. There is no method available to gain access to the files of the ACH processor through Customs to obtain information regarding bank and bank account information.

The ACH electronic payment mechanism is initiated based on acceptance of a payment authorization transaction being received through ABI from the payer. Customs will not generate an internal transaction on its own initiative to accomplish an ACH payment. Customs acceptance of the ACH payment authorization is dependent on multiple edits being satisfied. Among these will be that the payer unit number provided in the transaction is eligible to accomplish payment of the statement number indicated in the transaction. Also, the statement number provided must be unpaid and the amount provided in the payment transaction must correspond exactly to the unpaid amount of the statement number provided. If any of these validations are not met, the transaction is not accepted by Customs for payment; the initiator of the ABI transaction is electronically notified as to what errors exist with the transaction. Most importantly, the unaccepted payment authorization will not be passed to the Treasury-designated ACH processor for funds withdrawal. Only error-free transactions are given to the ACH processor for eventual electronic withdrawal of funds.

The actual electronic withdrawal of funds from the payer's account will be accomplished through the Treasury-designated ACH processor. The bank and account from which funds are withdrawn will be dictated by the payer unit number provided in the accepted ABI payment authorization transaction. It is emphasized that it is the responsibility of the payer to ensure that all bank account information provided to Customs is correct and that the correct payer unit number is utilized in each ACH payment authorization transaction. If payers take this responsibility seriously, there is little need for concern regarding the correct accounts being debited for ACH transactions.

Comment:

Some commenters were concerned that Customs may reduce the float period as soon as all ABI brokers are on ACH.

Response:

Pursuant to this final rule, ACH is the payment method which should be utilized whenever possible by those ABI participants who use statement processing. Initially, Customs will electronically debit, through the Treasury-designated ACH processor, the payor's account on the second business day following the accepted payment

date provided in the ABI acceptance notification record. However, it should be noted that the Treasury Department has reserved the right to review the effectiveness of ACH after a one year operational period. As a result of this review, Treasury could request changes to the program including a reduction in the float period.

Comment:

Because the electronic ACH payment will not generate a cancelled check document, some commenters stated that the regulations should identify the document that an ACH user can present to substantiate that Customs duties for statement entries have been paid through an ACH transaction.

Response:

The ABI statement process generates a final statement only after complete payment of the statement has been processed through the Customs financial system, either through an ABI-ACH transaction or by a Customs cashier entering a check or cash payment to the system. Therefore, the final statement could be utilized as evidence that statement payment has occurred through an ACH transaction in lieu of presenting a cancelled check. Section 24.25(c)(4), Customs Regulations, will be revised to indicate this.

Comment:

Some commenters stated that Customs should provide a definition of the term "preponderance" in relation to its use in the requirement that entries of quota-class merchandise and other special classes of merchandise designated by Customs Headquarters can be paid through statement processing and ACH if the preponderance of the ABI filer's non-special class entry summaries are also processed under statement processing and ACH.

Response:

The term "preponderance" was intended by Customs to mean the largest possible portion of a filer's non-special class entry summaries eligible for statement processing. To clarify the provision, "largest possible portion" is used in the final rule. All entries are eligible for statement processing except vessel repair entries and warehouse withdrawals. Customs does not wish to provide an exact percentage of eligible non-special class entry summaries that must be handled through statement processing and paid via the ACH payment mechanism because Customs recognizes that there are valid business reasons which brokers may have for not using ACH in certain circumstances and the number of times that there are valid business reasons can vary from broker to broker. An example of a valid business reason why a broker has not paid an eligible entry summary through ACH is that the importer paid the broker with a check payable to "U.S. Customs." Because Customs does expect brokers who are using statement processing and ACH for quota and special class entries to use statement processing and ACH for the largest possi-

ble portion of their non-special class entries, a filer who excludes or deletes entries from the statement process and ACH should be prepared to articulate a sound business reason why these exclusions or deletions have occurred. While Customs will not in the normal course of events ask a filer to articulate his reasons for not using statement processing and ACH for a particular entry, if Customs believes that a broker is taking advantage of ACH for his quota-class entries and not using statement processing and ACH for the largest possible portion of his eligible non-special class entries, the ABI participant may be consulted by Customs as to why he has not used statement processing and ACH for certain entries. If Customs is not satisfied, after such consultation, that there were sound business reasons for the exclusion or deletion of non-special class entries, Customs may disqualify the participant from using statement processing/ACH for quota-class entries.

Comment:

One commenter questioned why ACH is available only to ABI participants.

Response:

The decision to make ACH available only to ABI participants was made by Customs. From a Customs standpoint, the effectiveness of the ACH payment process is dependent on accurate payment data being accepted through a controlled automated environment. The immediate method available which would provide Customs with the most effective means for operation of the ACH payment process is ABI. The ABI provides Customs with an immediate interface with the trade community which incorporates edits and validations to ensure accuracy and correctness of individual entry amounts. This existing interface can be readily adapted by Customs to accept a payment authorization and edit for correctness and provide data back to the payer indicating acceptance or error. Additionally, the ABI format provides Customs levels of security which have been operational for some time without experiencing outside tampering which ensures protection of the ACH transaction from outside manipulation.

Comment:

One commenter asked about the consequences of not accomplishing the ACH transaction timely because either Customs or the filer was experiencing computer difficulties.

Response:

Customs is currently developing a policy of how it should handle the unavailability of processing due to a Customs computer problem. The goal of the policy Customs is designing is to provide operational guidelines in those instances of temporary Customs computer or communications problems. Where computer problems prevent the timely transmission of ACH payments, the option to bring

check or cash payment to the Customs statement processing location is generally still available. As a general rule, the allowance of additional time to file ABI statement entries due to downtime of a filer's system should be granted. The allowance of additional time to file or pay through ACH due to filer computer breakdown is at the sole discretion of the District Director. Generally, every effort will be made to alleviate the risk of potential penalty action if Customs is timely notified of such problems.

Comment:

Several commenters were concerned about the government having direct access to their bank accounts.

Response:

Although the participating broker or importer would be required to provide their bank and bank account number to Customs, the broker or importer will dictate when and for what amount an electronic withdrawal will occur. Customs does not maintain an automatic access to the account.

The process to initiate electronic withdrawals through the Treasury-designated ACH processor is started only when Customs receives through ABI a payment authorization for a particular statement at a specific amount using a valid payer's unit number. If such a transaction is not received or is not accepted error-free, no transaction will be passed to the Treasury-designated ACH processor for electronic withdrawal. There is no manual intervention by Customs; only the data accepted error-free will be passed to the ACH processor. The ACH payment accepted will be applied only to the Customs duties owed on the entries which make up the specified statement.

CONCLUSION

After careful consideration of all the comments received and further review of the matter, it has been determined that the amendments with the modifications discussed above should be adopted. In addition, Customs has decided to eliminate the requirement of performing a freeze function on all preliminary statements which are to be paid through ACH. The "freeze" procedure was installed as part of the pilot test process to ensure that the broker payment amount transmitted directly to the Treasury-designated ACH processor would ultimately agree with the actual Customs preliminary statement amount. This procedure is no longer necessary under the ABI-ACH payment process because the ACH payment authorization will be transmitted directly to Customs via ABI and required to pass strict edits to ensure that statement data and amount are in complete agreement with existing Customs data before the payment authorization is accepted.

INAPPLICABILITY OF DELAYED EFFECTIVE DATE

Because this amendment neither imposes any additional burdens on, or takes away any existing rights or privileges from, the public, pursuant to 5 U.S.C. 553(d)(2), a delayed effective date is not required.

EXECUTIVE ORDER

This document does not meet the criteria for a "major rule" as defined in section 1(b) of E.O. 12291. Accordingly, no regulatory impact analysis has been prepared.

REGULATORY FLEXIBILITY ACT

Pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that the amendments will not have a significant economic impact on a substantial number of small entities. Accordingly, the amendments are not subject to the regulatory analysis requirements of 5 U.S.C. 603 and 604.

PAPERWORK REDUCTION ACT

The collection of information contained in this final regulation has been reviewed and approved by the Office of Management and Budget in accordance with the requirements of the Paperwork and Reduction Act (44 U.S.C. 3504(h)) under control number 1515-0167. The estimated average burden associated with this collection of information is 15 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the U.S. Customs Service, Paperwork Management Branch, Washington, D.C. 20229, or the Office of Management and Budget, Paperwork Reduction Project (1515-0167), Washington, D.C. 20503.

DRAFTING INFORMATION

The principal author of this document was Harold M. Singer, Regulations and Disclosure Law Branch, U.S. Customs Service. However, personnel from other offices participated in its development.

LIST OF SUBJECTS

19 CFR Part 24

Accounting, Claims, Customs duties and inspection, Imports, Taxes, Wages.

19 CFR Part 132

Customs duties and inspection, Imports, Quotas.

19 CFR Parts 141, 142 and 143

Customs duties and inspection, Entry, Imports.

AMENDMENTS TO THE REGULATIONS

Parts 24, 132, 141, 142 and 143, Customs Regulations (19 CFR Parts 24, 132, 141, 142 and 143) are amended as set forth below.

PART 24—CUSTOMS FINANCIAL AND ACCOUNTING
PROCEDURE

1. The general and relevant specific authority citation for Part 24, Customs Regulations (19 CFR Part 24), continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 58a-58c, 66, 1202 (General Note 8, Harmonized Tariff Schedule of the United States), 1624; 31 U.S.C. 9701; Pub. L. 99-662.

§ 24.1 also issued under 19 U.S.C. 197, 198, 1648.

2. Section 24.1(a) is amended by republishing the introductory text and by adding a paragraph (8) to read as follows:

§ 24.1 Collection of Customs duties, taxes and other charges.

(a) Except as provided in paragraph (b) of this section, the following procedure shall be observed in the collection of Customs duties, taxes, and other charges (see § 111.29(b) and 141.1(b) of this chapter:

* * *

(8) Participants in the Automated Broker Interface may use statement processing as described in § 24.25 of this part. Statement processing allows entry/entry summaries and entry summaries to be grouped by either importer or by filer, and allows payment of related duties, taxes and fees by a single payment, rather than by individual checks for each entry. The preferred method of payment for users of statement processing is by Automated Clearinghouse.

3. Part 24 is amended by adding a new § 24.25 to read as follows:

§ 24.25 Statement processing and Automated Clearinghouse.

(a) *Description.* Statement processing is a voluntary automated program for participants in the Automated Broker Interface (ABI), allowing the grouping of entry/entry summaries and entry summaries on a daily basis. The related duties, taxes and fees may be paid with a single payment. The preferred method of payment is by Automated Clearinghouse (ACH), except where the importer of record has provide a separate check payable to the "U.S. Customs Service" for Customs charges (duties, taxes, or other debts owed Customs (see § 111.29(b) of this chapter)). A particular statement payment must be accomplished entirely through ACH or completely by check or cash. A mixing of payment methods for a single statement will not be accepted. ACH is an arrangement in which the filer electronically provides payment authorization for the Treasury-designated ACH processor to perform an electronic debit to the payer's bank account. The payment amount will then be automatically credited to the account of the Department of the Treasury. If a filer chooses

to use statement processing for entries of quota-class merchandise and other special classes of merchandise designated by Customs Headquarters under § 142.13(c) of this chapter, he must also use statement processing as a normal course of business for the largest possible portion (see § 24.25(d)) of his eligible non-special class entries; further, he must use the ACH payment mechanism to pay all his ABI statements containing entries for quota-class merchandise. In no circumstances will check or cash be acceptable for payment of ABI statements containing entries for quota-class merchandise.

(b) *How to elect participation.* (1) *Statement processing.* An ABI filer must notify Customs in writing of the intention to utilize statement processing.

(2) *Automated Clearinghouse.* If an ABI filer pays his statements through ACH, rather than by check, he must provide to Customs the bank routing number and the bank account number for each account from which ACH payments are to be electronically debited. Upon the determination by Customs that the ABI filer has the necessary software to participate and otherwise qualifies to participate in ACH, Customs shall assign a unique identifying payer's unit number to the participant and the Treasury-designated ACH processor. This unique number assigned by Customs will alert the ACH processor as to which bank and account to issue the electronic debit. If a client of an ABI filer opts to pay Customs charges from his own account through an ABI filer, the client must provide directly to Customs the bank transit routing number and the bank account number for each of his accounts from which ACH payments can be electronically debited. Customs will then assign a unique payer's unit number to each of his accounts and provide the assigned unit number directly to the client and the Treasury-designated ACH processor. The client would then provide the appropriate payer's unit number to his broker to pay his statements through ABI. It is the responsibility of the participant to ensure that all bank account information is accurate and that the correct unique payer's unit number is utilized for each ACH transaction.

(c) *Procedure for filer.*

(1) The filer shall transmit entry/entry summary and entry summary data through ABI indicating whether payment for a particular entry summary will be by individual check or by using statement processing. If statement processing is indicated, the filer shall designate whether the entry summary is to be grouped by importer or broker, and shall provide a valid scheduled statement date (within 10 days of entry, but not a Saturday, Sunday or holiday).

(2) Customs shall provide a preliminary statement to the ABI filer on the scheduled statement date. The preliminary statement shall contain all entry/entry summaries and entry summaries scheduled for that statement date. The preliminary statement shall be printed by the filer, who will review the statement entries and the statement totals, assemble the required entry summaries as

listed in the statement, and present them to Customs with the preliminary statement. This presentation must be made within 10 working days after entry of the merchandise. If a filer elects to perform deletions from the preliminary statement (other than items related to special classes of merchandise provided for in § 142.13(c) of this chapter), the filer shall notify Customs in such manner as designated by Customs Headquarters. Any entry number deleted from a statement may be paid by an individual check or scheduled for another statement by transmitting the entry summary data through ABI with a future payment date.

(3) The ABI filer using statement processing is responsible for ensuring that payment is made within 10 days of the entry of the related merchandise.

(4) When payments are made through ACH, Customs shall, upon acceptance of the ACH payment authorization, identify the preliminary statement as paid and shall post the appropriate amounts to the related entries. The final statement generally shall be available to the filer the day following the acceptance of the ACH payment; this final statement may be utilized as evidence that statement payment has occurred through an ACH transaction. In other instances, a cancelled check may serve as evidence of payment.

(d) *Choice of excluding certain entries from statement processing.* An ABI filer using statement processing, generally, has the right to inform Customs electronically whether he desires that a particular entry summary be paid by individual payment or through statement processing. If a filer opts to use statement processing for entry/entry summaries for quota-class and other special classes of merchandise defined in § 142.13(c) of this chapter, he shall use statement processing in the normal course of business for the largest possible portion of his eligible non-special class entries also; further, he shall pay for these entry/entry summaries through ACH. If a filer opts to use statement processing and, therefore, ACH for entry/entry summaries for special classes of merchandise defined in § 142.13(c) of this chapter, these entry/entry summaries cannot be deleted from a statement. A filer who excludes or deletes entries from the statement process and ACH should be prepared to articulate a sound business reason why these exclusions or deletions have occurred. If Customs believes that a broker is using ACH for his quota-class entries and not using statement processing and ACH for the largest possible portion of his eligible non-special class entries, the ABI participant may be consulted by Customs as to why he has not used statement processing and ACH for certain entries. If Customs is not satisfied, after such consultation, that there were sound articulable business reasons for the exclusion or deletion of non-special class entries, Customs may disqualify the participant from using statement processing/ACH for quota-class entries.

(e) *Scheduled statement date.* Entry/entry summaries and entry summaries must be designated for statement processing within 10 working days after the date of entry. It is the responsibility of the ABI filer using statement processing to ensure that the elected scheduled statement date is within that 10-day time frame. Customs will not warn the filer if the scheduled statement date given is late.

PART 132—QUOTAS

1. The authority citation of Part 132, Customs Regulations (19 CFR Part 132), continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 8, Harmonized Tariff Schedule of the United States), 1624.

2. Section 132.1(d) is revised to read as follows:

§ 132.1 Definitions.

(d) *Presentation.* "Presentation" is the delivery in proper form to the appropriate Customs officer of:

(1) An entry summary for consumption, which shall serve as both the entry and the entry summary, with estimated duties attached (see § 141.0a(b)); or

(2) An entry summary for consumption, which shall serve as both the entry and the entry summary, without estimated duties attached, if the entry/entry summary information and a valid scheduled statement date (pursuant to § 24.25 of this chapter) have been successfully received by Customs via the Automated Broker Interface; or

(3) A withdrawal for consumption with estimated duties attached.

3. The text of § 132.11(b) is revised to read as follows:

§ 132.11 Quota priority and status.

(b) *Documentation and deposit of duties in proper form required.* Merchandise covered by an entry summary for consumption, which serves as both the entry and entry summary, or by a withdrawal for consumption, shall be regarded as entered for purposes of quota priority and shall acquire quota status if:

(1) The entry summary or withdrawal for consumption is in proper form, and duties have been attached to the entry summary or withdrawal for consumption in proper form; or

(2) The entry summary for consumption is in proper form, and the entry/entry summary information and a valid scheduled statement date (pursuant to § 24.25 of this chapter) have been successfully received by Customs via the Automated Broker Interface.

4. Section 132.11a(a) is amended by revising paragraph (a) and adding paragraph (c) to read as follows:

§ 132.11a Time of presentation.

(a) *General rule.* Except as provided in paragraph (b) of this section, the time of presentation of an entry/entry summary for quota purposes shall be the time of delivery in proper form of:

(1) An entry summary for consumption, which serves as both the entry and the entry summary, with estimated duties attached; or

(2) An entry summary for consumption, which shall serve as both the entry and the entry summary without estimated duties attached, if the entry/entry summary information and a valid scheduled statement date have been successfully received by Customs via the Automated Broker Interface (see § 132.1(d)(2); payment must be subsequently made by the statement processing method as set forth in § 24.25 of this chapter); or

(3) A withdrawal for consumption with estimated duties attached.

* * * * *

(c) *Failure to use statement processing method.* If presentation is chosen to be made pursuant to § 132.11a(a)(2) and payment is not made as required through the statement processing method, the district director may require filing of an entry summary for consumption with estimated duties attached as described in § 132.11(a)(1) for future filings.

5. The first sentences of paragraphs (a)(1), (2), (3), (4)(i) introductory text and (4)(ii) introductory text in § 132.14 are amended by inserting the word "proper" before the words "presentation of an entry summary for consumption, or withdrawal for consumption."

6. The first sentences of paragraphs (a)(1), (2), (3), (4)(i) introductory text and (4)(ii) introductory text in § 132.14 are amended by removing the words "with estimated duties attached" following the words "presentation of an entry summary for consumption, or a withdrawal for consumption" and replacing them with "pursuant to § 132.1 of this part."

PART 141—ENTRY OF MERCHANDISE

1. The general and relevant specific authority for Part 141, Customs Regulations, continues to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1624.

Subpart G also issued under 19 U.S.C. 1505

2. The introductory paragraph of § 141.101 is revised to read as follows:

§ 141.101 Time of deposit.

Estimated duties shall either be deposited with the Customs officer designated to receive the duties at the time of the filing of the entry documentation or the entry summary documentation when it serves as both the entry and entry summary, or be transmitted to Customs according to the statement processing method as described in § 24.25 of this chapter, except in the following cases:

* * * * *

2. The second sentence of § 141.62(b)(2)(ii) is amended by inserting the words "or without the estimated duties attached, if the entry/entry summary information and a scheduled statement date have been successfully received by Customs via the Automated Broker Interface," between the words "with the estimated duties attached," and "shall be the time of presentation for quota purposes."

3. Section 141.68(b) is amended by deleting the period at the end of the paragraph and adding, "except as provided in § 142.13(c)."

4. Section 141.68(d) is amended by inserting between the words "with estimated duties attached," and "as provided in § 132.11a of this chapter," the words "or if the entry/entry summary information and a valid scheduled statement date (pursuant to § 24.25 of this chapter) have been successfully received by Customs via the Automated Broker Interface, without the estimated duties attached,".

PART 142—ENTRY PROCESS

1. The authority citation for Part 142 continues to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1624

2. Section 142.13(c)(1) and (c)(2) are revised to read as follows:

§ 142.13 When entry summary must be filed at time of entry.

* * * * *

(c) *Special classes of merchandise*

(1) *Quota-class merchandise.* Quota-class merchandise shall not be released upon delivery of entry documentation before presentation of:

(i) an entry summary for consumption with estimated duties attached; or

(ii) a withdrawal for consumption with estimated duties attached;
or

(iii) an entry summary for consumption, without the estimated duties attached, if the entry/entry summary information and a valid scheduled statement date have been successfully received by Customs via the Automated Broker Interface. (See Part 132 and § 24.25 of this chapter.)

(2) *Other classes of merchandise.* Entry summary documentation, with estimated duties attached, or a withdrawal for consumption with estimated duties attached, or an entry summary for consumption, without the estimated duties attached if the entry/entry summary information and a valid scheduled statement date have previously been transmitted to Customs via the Automated Broker Interface (see § 24.25 of this chapter) shall be filed at the time of entry before release of any other merchandise of a class designated by Customs Headquarters.

3. Section 142.21(e) is revised to read as follows:

§ 142.21 Merchandise eligible for special permit for immediate delivery.

* * * * *

(e) *Quota-class merchandise*—

(1) *Tariff rate.* At the discretion of the district director, merchandise subject to a tariff-rate quota may be released under a special permit for immediate delivery provided the importer has on file a bond on Customs Form 301, containing the bond conditions set forth in § 113.62 of this chapter. An entry summary shall be properly presented pursuant to § 132.1 of this chapter within the time specified in § 142.23, or within the quota period, whichever expires first. If proper presentation is not made until after the tariff-rate quota is filled, the merchandise shall not be entitled to the quota rate of duty, and the importer shall pay duties at the over-quota rate.

(2) *Absolute.* At the discretion of the district director, perishable merchandise of a class approved by Customs Headquarters which is subject to an absolute quota may be released under a special permit for immediate delivery for removal to the importer's premises, or to any other location approved by the district director, until an entry summary is properly presented pursuant to § 132.1 of this chapter. A proper entry summary must be presented for merchandise so released within the time specified in § 142.23, or within the quota period, whichever expires first. If the absolute quota is filled before the importer has properly presented an entry summary, he may either present an entry summary for warehouse or, under Customs supervision, export or destroy the merchandise.

* * * * *

4. Section 142.22(b)(1) is revised to read as follows:

* * * * *

§ 142.22 Application for special permit for immediate delivery.

* * * * *

(b) *Customs custody.* * * *

(1) An entry summary for consumption, with estimated duties attached; an entry summary for consumption without estimated duties attached, if entry/entry summary information and a valid scheduled statement date (pursuant to § 24.25 of this chapter) have successfully been received by Customs via the Automated Broker Interface; and entry summary for warehouse; or an entry summary for entry temporarily under bond, which may be filed in any of the circumstances under § 142.21 of this part except for merchandise released from warehouse under § 142.21(f) of this part;

* * * * *

**PART 142—CONSUMPTION, APPRAISEMENT, AND
INFORMAL ENTRIES**

1. The authority citation of Part 143 continues to read as follows:

Authority: 19 U.S.C. 66, 1481, 1484, 1498, 1624.

2. The first sentence of § 143.28 is revised to read as follows:

§ 143.28 Deposit of duties and release of merchandise.

Unless statement processing and ACH are used pursuant to § 24.25 of this chapter, the estimated duties and taxes, if any, shall be deposited at the time the entry is presented and accepted by a Customs officer, whether at the customhouse or elsewhere. * * *

MICHAEL H. LANE,

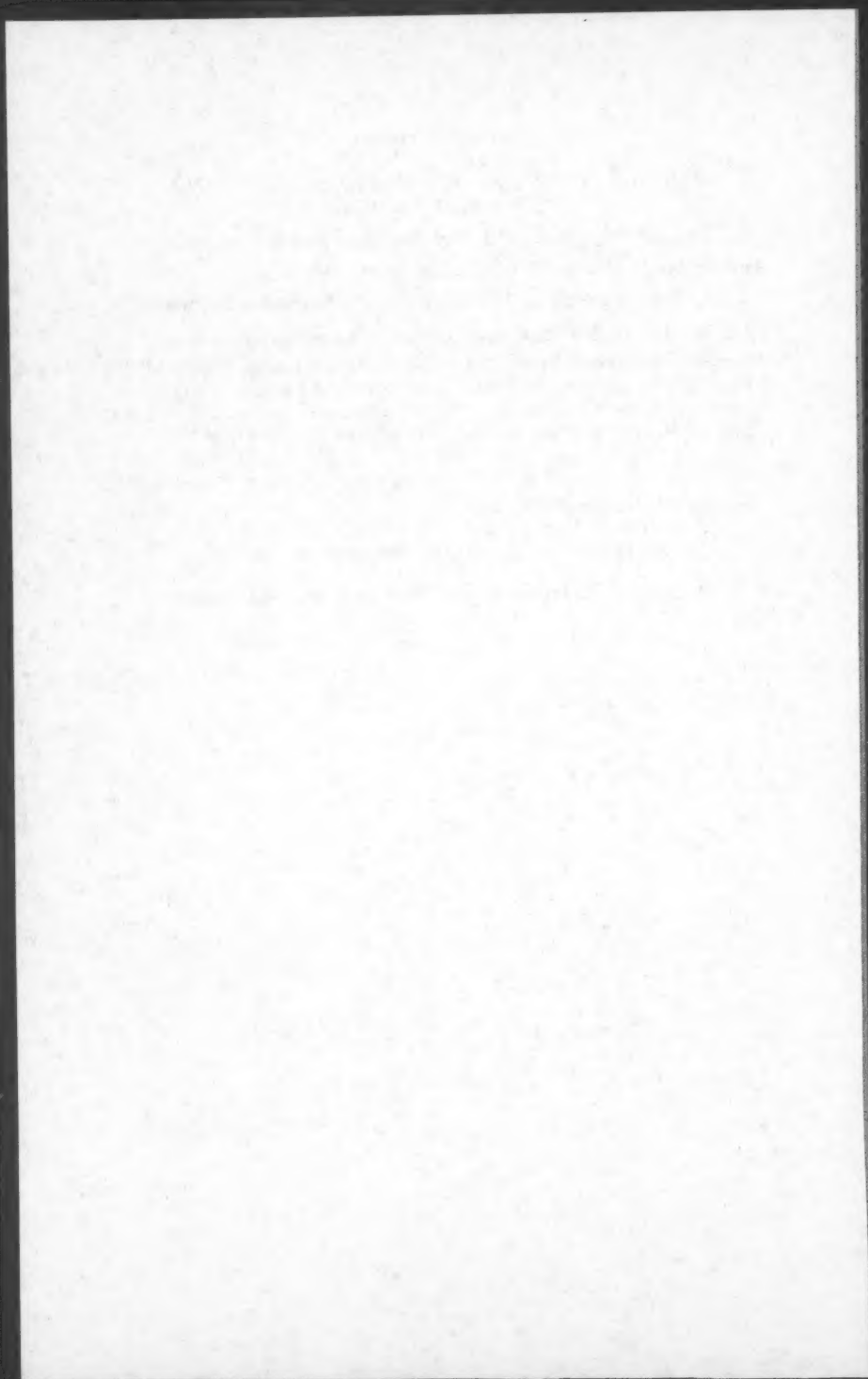
Acting Commissioner of Customs.

Approved: November 30, 1989

SALVATORE R. MARTOCHE,

Assistant Secretary of the Treasury.

[Published in the Federal Register, December 7, 1989 (54 FR 50493)]



U.S. Customs Service

Customs Service Decisions

DEPARTMENT OF THE TREASURY,
OFFICE OF THE COMMISSIONER OF CUSTOMS,
Washington, D.C., December 5, 1989.

The following are abstracts of unpublished rulings recently issued by the U.S. Customs Service. The abstracts are set forth to provide interested parties with general information regarding the types of issues currently being addressed by the U.S. Customs Service. By their inclusion herein, the rulings abstracted shall not be considered "published in the Customs Bulletin," within the meaning of section 177.10 of the Customs Regulations (19 CFR 177.10), nor do such abstracts establish a uniform practice.

HARVEY B. FOX,
Director,
Office of Regulations and Rulings.

(C.S.D. 89-134)

Abstracts of Unpublished Customs Service Decisions

COMMODITY CLASSIFICATION

C.S.D. 89-134(1)—*Commodity:* Aluminum. The product is coiled flat-rolled aluminum in varying widths referred to as strip and as foil, treated on both sides with various coatings of acrylic or polyester resins. The aluminum strip and/or foil will be used in the manufacture of slats for venetian blinds. *Classification:* If the coated aluminum product does not exceed 0.2 mm in thickness, it is classified as aluminum foil, not backed, in subheading 7607.19.6000, HTSUSA. If it exceeds 0.2 mm in thickness, it is classified as aluminum strip in subheading 7606.11.3060, HTSUSA (if not alloyed), or in subheading 7606.12.3090, HTSUSA (if alloyed). *Document:* HQ 084546, dated September 12, 1989.

C.S.D. 89-134(2)—*Commodity:* Apples. United States grown apples, exported to Mexico to be diced and individually quick-frozen. *Classification:* The dicing and freezing of the apples exceed the scope of the term "alteration," thereby precluding the classifica-

tion of the returned apples under HTSUSA subheading 9802.00.50. *Document:* HQ 555462, dated September 11, 1989.

C.S.D. 89-134(3)—*Commodity:* Baby carrier. The carriers are assembled in Mexico from U.S. components including cut-to-length fabric, foam pieces, trim cord, pocket liner, elastic strips, draw strings and webbing; metal snaps and eyelets; plastic cord, loop locks, retainers, rings, snap-hooks, 2-inch two-inch triglides (a buckle fastener designed to adjust the length of the web straps) and bags; and thread. *Classification:* The front baby carriers will be eligible for the partial duty exemption under HTSUSA subheading 9802.00.80 when returned to the U.S., upon compliance with the documentary requirements of 19 CFR 10.24. *Document:* HQ 555455, dated September 18, 1989.

C.S.D. 89-134(4)—*Commodity:* Belt. A tie belt approximately 5½ feet in length, tapering from a width of nearly 3 inches at the center to ¾ of an inch at the ends. Parallel rows of stitching run from end to end. The outside fabric is silk; the facing is cotton. *Classification:* The belt is classified under heading 6217.10.0040, HTSUSA, a provision for other made up clothing accessories, other, containing 70 percent or more by weight of silk or silk waste. *Document:* HQ 083802, dated June 5, 1989.

C.S.D. 89-134(5)—*Commodity:* Boots. Women's slip-on snow boots with predominately plastic uppers and rubber and/or plastic outer soles. The shafts of both boots are lined with a black imitation sheepskin lining (presumably made of a man-made fiber). About ½ inch of the sheepskin is exposed when the shaft is turned fully up. *Classification:* The boots are classifiable under subheading 6402.91.5060, HTSUSA, as other footwear with outer soles and uppers of rubber or plastics, covering the ankle, other, footwear designed to be worn over, or in lieu of, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather. *Document:* HQ 083826, dated June 2, 1989.

C.S.D. 89-134(6)—*Commodity:* Cab chassis. Four models, all are cab-over-engine cabs chassis powered by a compression-ignition internal combustion engine. Each model consists of a complete chassis (i.e., chassis-frame, engine, transmission, steering gear, axles) that is fitted with a cab. None of the models have a cargo body or platform or other body component to the rear of the cab. *Classification:* The cab chassis are classified in subheading 8704.22.10, HTSUSA. NYRL 826767, dated December 23, 1987 is modified. *Document:* HQ 083185, dated June 6, 1989.

C.S.D. 89-134(7)—*Commodity:* Compressed gasket material. Rubber sheeting or slabs (NBR acrylonitrile-butadiene and SBR styrene-butadiene compounds) are treated with a solvent until the rubber becomes a pasty mush. This mush is mixed with rubber curing agents. In a separate dry mix operation, Kevlar aramid fibers of

one millimeter in length are combined with mineral fillers. To this dry mixture is added the pasty rubber mush. The combined mixture is processed for 30 to 60 minutes into a crumbly dough and more solvent is added to maintain pliancy. The dough is fed into the hopper of a two-roll rubber sheet manufacturing machine. *Classification:* Gasket material of rubber, mineral and textile fiber is classified as an article of mineral substances in 6815.99.4000, HTSUSA. *Document:* HQ 084970, dated September 26, 1989.

C.S.D. 89-134(8)—*Commodity:* Costume. A gorilla costume consisting of six pieces: a combination mask-head covering, a pair of hands, a pair of feet, and a one-piece knit suit that would cover the wearer's torso, arms, and legs. The suit has an opening at the back with hook-and-loop-tape fasteners. All pieces are partially or completely covered with fur. *Classification:* The costume is classified under subheading 6114.30.3070, HTSUSA, textile category 659, a provision for other garments of man-made fibers, knitted or crocheted, women's. *Document:* HQ 083977, dated June 5, 1989.

C.S.D. 89-134(9)—*Commodity:* Fabric. U.S. made non-woven fabric vanes are exported for processing operations abroad. The fabric vanes are for use as part of vertical window and door blind systems. *Classification:* The non-woven fabric vanes will be eligible for the partial duty exemption under HTSUSA subheading 9802.00.80, upon compliance with the documentary requirements of 19 CFR 10.24. *Document:* HQ 555394, dated August 15, 1989.

C.S.D. 89-134(10)—*Commodity:* Garment bags. A vinyl bridal gown bag constructed of four gauge clear vinyl, measuring 24 inches by 72 inches with a 62 inch front zipper and a reinforced top opening to allow for the protrusion of a clothes hanger. The bag, used solely for storage, also has a gusset due to the fullness of the type of garment. *Classification:* The bridal gown bag is classified under subheading 3924.90.5000, HTSUSA, as tableware, kitchenware, other household articles and toilet articles, of plastics, other. *Document:* HQ 084764, dated September 14, 1989.

C.S.D. 89-134(11)—*Commodity:* Optical measuring or checking instrument. The article, Nikon Lampas-HD, is used to measure line width dimensions and layer to layer registration on semiconductor wafers, photomasks, and reticles. The instrument has a laser pattern edge detection system which uses an ultraviolet helium-cadmium laser beam and a high-resolution laser interferometer. *Classification:* The Nikon Lampas-HD is classified as an optical measuring or checking instrument in subheading 9031.40.0000, HTSUSA. New York ruling letter 837738, dated March 16, 1989, is affirmed. *Document:* HQ 084646, dated September 13, 1989.

C.S.D. 89-134(12)—*Commodity*: Paper, textile-reinforced. Two types of coated textile-reinforced paper for packaging (wrapping) lumber. *Classification*: Type I lumberwrap is classifiable under subheading 4823.90.8500, HTSUSA, as other paper, paperboard, cellulose wadding and webs of cellulose fibers, cut to size or shape; other articles of paper pulp, paper, paperboard, cellulose wadding or webs of cellulose fibers, other * * * Type II lumberwrap is classifiable under subheading 4811.39.4040, HTSUSA, as paper, paperboard, cellulose wadding and webs of cellulose fibers, coated, impregnated, covered, surface colored, surface decorated or printed, in rolls or sheets, other than goods of heading 4803, 4809, 4810 or 4818, paper and paperboard, coated, impregnated or covered with plastics (excluding adhesives), other, other, other. *Document*: HQ 084716, dated September 14, 1989.

C.S.D. 89-134(13)—*Commodity*: Pencil case. A children's pencil pouch case of nylon, designed to be worn around the waist. The pouch is constructed of an outer surface of plastic sheeting of reinforced, laminated plastic with a zipper across the front and an elastic band sewn to a tab on each side. *Classification*: The pencil pouch is classified under subheading 4202.92.4500, HTSUSA, as articles similar to those enumerated in heading 4202 and not covered by any other heading of Chapter 42, with outer surface of plastic sheeting or of textile materials, travel, sports and similar bags, other. *Document*: HQ 084868, dated September 13, 1989.

C.S.D. 89-134(14)—*Commodity*: Platform jacket and platform pilings. Various components for offshore oil drilling and production platform; offshore platform jacket; platform main pilings, skirt pilings, and conductor pilings; topside structural components. *Classification*: The jacket, the main pilings, the skirt pilings, the conductor pilings, and the assembled module floor panels, the skid beam, the cut grating, and the conductor guides are classified as other structures (the jacket) and as parts of structures (pilings and the assembled components) in subheading 7308.90.9090, HTSUSA. The unassembled components, whether or not built-up, which constitute the floor girders, support columns, and similar vertical or horizontal structural units, are classified in subheading 7308.90.3000 (if in part of alloy steel) or 7308.90.6000 (if not in part of alloy steel), HTSUSA. The deck plate and the module plate are classifiable under the appropriate provision for flat-rolled products in chapter 72, HTSUSA. The other steel components, such as the padeyes stiffeners, secondary steel, and coped truss braces, are classified as plates, angles, shapes, sections, tubes and the like, prepared for use in structures, in subheading 7308.90.9090, HTSUSA. *Document*: HQ 085145, dated September 15, 1989.

- C.S.D. 89-134(15)—*Commodity*: Roof shield supports. Self advancing hydraulic supports used in longwall mining operations, 2-leg, 4-leg, and 4-leg chock-type mine roof supports. The supports consist of hydraulic cylinders placed between a steel floor beam and a roof beam containing a steel caving shield. The legs are the vertical supports for the overhead shield. *Classification*: The self-advancing hydraulic mine roof supports are classified in subheading 8479.89.9090, HTSUSA, as other machines and mechanical appliances, other, other. *Document*: HQ 084855, dated September 13, 1989.
- C.S.D. 89-134(16)—*Commodity*: Storage units. The articles are storage units of 22 gauge steel with wooden flooring, unassembled and available in two sizes. Once assembled, the units are intended to be fastened together to form a single structure containing separate storage units. *Classification*: The safe-guard prefabricated storage units are properly classified as other prefabricated buildings of metal under subheading 9406.00.8030, HTSUSA. *Document*: HQ 083801, dated June 6, 1989.
- C.S.D. 89-134(17)—*Commodity*: Telephone dialer. An electrical device which operates in-line with a telephone set. It is designed to be connected between the incoming line and the telephone set. *Classification*: The telephone dialer is classified as other telephonic apparatus in subheading 8517.81.0000, HTSUSA. *Document*: HQ 084742, dated September 12, 1989.
- C.S.D. 89-134(18)—*Commodity*: Tool box/cabinet. The merchandise consists of (1) a steel tool and supply storage box/cabinet with a carrying handle, latch closures, top and bottom storage areas, and 18 pull-out plastic drawers; (2) one roll of electrical tape; (3) two electrical testing tools; (4) one electrical stripper plier; (5) one needle nose plier; (6) one flat tip screwdriver; (7) one cross tip screwdriver; (8) one wire cutter plier; (9) one utility knife; (10) an assortment of electrical connectors; (11) plastic electrical wire ties; and (12) two alligator clips. *Classification*: The tool box/cabinet and tool and connector assortments are for tariff purposes, considered to be a set. The tool box/cabinet imparts the set's essential character, and is classifiable under subheading 4202.99.0000, HTSUSA. The set is classifiable under subheading 4202.99.0000, HTSUSA. *Document*: HQ 084717, dated September 13, 1989.
- C.S.D. 89-134(19)—*Commodity*: Tubings. Various heat shrinkable types of tubing will be purchased on spools from U.S. distributors and exported to Mexico for manufacture into two types of electrical insulators. In Mexico, some of the tubing will be cut to length, typically 1 inch, and marked for use as identification labels for wires in the building of cable/harness/chassis assemblies. Other tubings will merely be cut to length, from 0.5 to 10 inches. *Classification*: The heat shrink tubings are not eligible for the partial

duty exemption available under HTSUSA subheading 9802.00.50, when returned to the U.S. *Document:* HQ 555387, dated September 11, 1989.

U.S. Customs Service

General Notices

DELEGATION OF AUTHORITY

AGENCY: United States Customs Service, Department of the Treasury.

ACTION: General notice.

SUMMARY: This notice delegates certain authority to accept offers in compromise from the Director, Regulatory Procedures and Penalties Division, to all district directors of Customs.

FOR FURTHER INFORMATION CONTACT: Stuart P. Seidel, Director, Regulatory Procedures and Penalties Division, U.S. Customs Service, 1301 Constitution Avenue, N.W., Washington, D.C. 20229 (202-566-7005).

SUPPLEMENTARY INFORMATION: Pursuant to Customs Delegation Order No. 1 (Revision 1) Amended (T.D. 69-126, as amended), Section 1.(b)(2), authority to make decisions with respect to offers in compromise under 19 U.S.C. 1617, as amended, subject to the recommendation of the General Counsel of the Treasury Department, rests with the Director, Entry Procedures and Penalties Division (since retitled Director, Regulatory Procedures and Penalties Division). Through this document, this authority to decide offers in compromise is redelegated to all district directors when the offers are submitted in settlement of penalty claims secured by the International Carrier's Bond, (The terms of which are outlined in section 113.64 of the Customs Regulations (19 CFR 113.64)), when such penalty claims do not exceed \$100,000. Penalties which arise from the failure to manifest or the unlawful importation, transportation or transshipment of illegal narcotics are excluded from this delegation of authority.

This delegation does not change any requirement of recommendation or approval necessary from the General Counsel.

Dated: November 27, 1989.

STUART P. SEIDEL,
Director,
Regulatory Procedures and Penalties Division.

ERRATUM

19 CFR Part 111

ANNUAL USER FEE FOR CUSTOMS BROKER'S PERMIT; CORRECTION

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Notice of due date of broker's user fee; correction.

SUMMARY: This document was originally published in the CUSTOMS BULLETIN, Vol. 23, No. 47, dated November 22, 1989, appearing on pp. 12 and 13.

Please make the following correction:

Page 12, the paragraph starting "SUMMARY:" is being corrected to read as follows:

SUMMARY: This document advises Customs brokers that for 1990 the annual user fee of \$125 that is assessed for each permit held by an individual, partnership, association, or corporate broker is due by January 12, 1990. This announcement is being published to comply with the Tax Reform Act of 1986.

Dated: December 6, 1989.

Index

Customs Bulletin and Decisions
Vol. 23, No. 51, December 20, 1989

U.S. Customs Service

Treasury Decisions

	T.D. No.	Page
Bonds, refusal to accept, underwritten by Travelers Indemnity Co.	89-103	1
Statement processing and automated clearinghouse; parts 24, 132, 141, 142, and 143, CR amended.	89-104	2

Customs Service Decisions

Abstracts of Unpublished Customs Service Decisions

Commodity classifications:	C.S.D. No.	Page
Aluminum (for venetian blinds).....	89-134(1)	21
Apples (diced and quick-frozen).....	89-134(2)	21
Baby front carrier.....	89-134(3)	22
Belt (tie style of silk and cotton).....	89-134(4)	22
Boots, women's slip-on style for snow.....	89-134(5)	22
Cab chassis.....	89-134(6)	22
Compressed gasket material.....	89-134(7)	22
Costume (gorilla costume).....	89-134(8)	23
Fabric, nonwoven fabric vanes for vertical window and door blinds.....	89-134(9)	23
Garment bags of vinyl.....	89-134(10)	23
Optical measuring or checking instrument.....	89-134(11)	23
Paper for packaging lumber.....	89-134(12)	24
Pencil case (pouch style).....	89-134(13)	24
Platform jacket/pilings (offshore oil drilling components).....	89-134(14)	24
Roof shield supports.....	89-134(15)	25
Storage units.....	89-134(16)	25
Telephone dialer.....	89-134(17)	25
Tool box/cabinet.....	89-134(18)	25
Tubings, heat shrinkable types.....	89-134(19)	25

General Notices

	Page
Delegation of authority.....	27
User fee for Customs broker permit, notice of due date (erratum).....	28

